Chapter VI: Other Than Full and Open Competition (OFOC) SOP Attachment 4: Single Source Justification for SAP under \$150K

JUSTIFICATION FOR SINGLE SOURCE AWARDS IAW FAR 13.106-1

(OVER MICRO-PURCHASE THRESHOLD(\$3K) BUT NOT EXCEEDING THE SAT (\$150K))

IAW <u>FAR13.104</u>, COs must promote competition to the maximum extent practicable to obtain supplies and services from the source whose offer is the most advantageous to the Government, considering the administrative cost of the purchase. When competition is not practicable, IAW <u>FAR13.106-1(b)</u>, COs solicit from a single source for purchases not exceeding the simplified acquisition threshold. COs may solicit from one source if the CO determines that the circumstances of the contract action deem only one source reasonably available (e.g., urgency, exclusive licensing agreements, brand-name or industrial mobilization). IAW <u>FAR13.106-3(b)(3)</u>,COs are required to include additional statements **explaining the absence of competition** (see <u>13.106-1</u> for brand name purchases) if only one source is solicited and the acquisition does not exceed the simplified acquisition threshold (does not apply to an acquisition of utility services available from only one source) or supporting the award decision if other than price-related factors were considered in selecting the supplier. This template when completed can be used to document single source awards IAW <u>FAR13.106-3(b)(3)</u>. Note: Statements such as "only known source" or "only source which can meet the required delivery date" are inadequate to support a sole source purchase.

1. ACQUISITION PLAN ACTION ID:

437-16-1-6058-0093

1A. PROJECT/TASK No. N/A **1B. ESTIMATED AMOUNT:**

2. BRIEF DESCRIPTION OF SUPPLIES OR SERVICES REQUIRED AND THE INTENDED USE:

The Fargo, North Dakota (ND) VA Health Care System (VAHCS) has an existing Caterpillar emergency generator system installed at the boiler plant (Building 10). This emergency generator was in the process of being load bank tested when the muffler/heat shield/thimble/rain shield/roof system caught fire. These components were all damaged either by the fire or the Fargo Fire Department crew that responded to put out the fire. Services required: provide a fully tested, repaired and functional Caterpillar emergency generator system to include a replacement muffler, heat shield, thimble, rain shield and roof repairs and all necessary testing. The service would also provide a temporary generator while replacement and repairs are conducted and place the original generator back in service once work has been completed.

3. UNIQUE CHARACTERISTICS THAT LIMIT AVAILABILITY TO ONLY ONE SOURCE, WITH THE REASON NO OTHER SUPPLIES OR SERVICES CAN BE USED:

The emergency generator system is a critical component of the boiler plant in the event normal power is lost. The medical center cannot function without a boiler plant and the boiler plant cannot function without electricity which may have to be provided by this emergency generator. This service is needed as soon as possible and Butler Machinery Company of Fargo is the only authorized Caterpillar repair representative in immediate area that can provide this service quickly. Authorized Caterpillar replacement components are desired to ensure that the repairs and maintenance performed are done by authorized Caterpillar mechanics and in keeping with the manufacturer's warranty. Butler Machinery of Fargo has the original Caterpillar replacement parts and accessories to ensure compatibility. Butler Machinery of Fargo is the authorized repair representative in Fargo for Caterpillar generators and is the authorized equipment dealer that the Fargo VA utilizes to perform the required testing and maintenance of these generators to ensure they meet industry and Joint Commission requirements.

4. REASON THAT SUGGESTED SOURCE IS THE ONLY SOURCE, WHICH CAN PROVIDE THE SUPPLIES OR SERVICES:

IAW FAR13.106-1(b) the repair to the emergency generator is deemed urgent due to the emergency generator system being a critical component of the boiler plant in the event normal power is lost. The medical center cannot function without a boiler plant and the boiler plant cannot function without electricity which may have to be provided by this emergency generator. This service is needed as soon as possible and Butler Machinery Company of Fargo is the only authorized Caterpillar repair representative in immediate area that can provide this service quickly. Authorized Caterpillar replacement components are desired to ensure that the repairs and maintenance performed are done by authorized Caterpillar mechanics and in keeping with the manufacturer's warranty. Butler Machinery of Fargo has the original Caterpillar replacement parts and accessories to ensure compatibility. Butler Machinery of Fargo is the authorized repair representative in Fargo for Caterpillar generators and is the authorized equipment dealer that the Fargo VA utilizes to perform the required testing and maintenance of these generators to ensure they meet industry and Joint Commission requirements.

OFOC SOP Revision 04
Original Date: 03/22/11
Revision 04 Date: 10/01/2015

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5. DESCRIPTION OF MARKET RESEARCH CONDUCTED AND RESULTS OR STATEMENT WHY IT WAS NOT CONDUCTED:
Market research was conducted via the internet and by phone. There are 17 Caterpillar service locations within a 200 mile radius of the Fargo VA and they are all Butler. The search spanned across North Dakota, South Dakota, and Nebraska. The next closest Caterpillar dealer in Hankinson, ND (75 miles from Fargo) was called and they suggested we use Butler in Fargo and would not provide a quote.
6. Contracting Officer's Certification : Purchase is approved in accordance with FAR13.106-1(b). I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief. Note: COs are required to make a determination of price reasonableness IAW FAR 13.106-3. See the Commercial Supply and Service SOP for Price Reasonableness templates.
Signature: Date: Date:

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